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SUBJECT: ASIAN REGIONAL ARCHITECTURE: EXPLORING DIFFERENCES  
ON APEC, THE EAS AND ASEAN PLUS 3

REF: STATE 060291

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Classified By: Ambassador J. Thomas Schieffer. Reasons:1.4(b/d).

¶11. (C) Summary: Reflecting Japan's preoccupation with the PRC when dealing with the question of Asia regional architecture, and sensitivity to being regarded as a less-than-equal partner, MOFA Asian Affairs Bureau Regional Policy Director Kazutoshi Aikawa, in an exceptionally frank personal opinion that reflects the views of many in the Japanese government, opined that the United States was concerned about the East Asia Summit (EAS) "talk shop" because of its potential overlap with APEC, but wondered why the U.S. was not similarly concerned about ASEAN Plus 3, where the PRC role is much more significant. In the course of briefing a Tokyo Embassy officer on the May 20 Ad Hoc Consultations on the EAS in Malaysia -- which he said had produced no particular results since the EAS is intended to be a dialogue among leaders and none had been present in Malaysia -- Aikawa asked what, if any, were the specific U.S. proposals for strengthening APEC and suggested that U.S. insistence on dealing with Asian regional issues in a large umbrella organization like APEC that includes Latin American countries gave the unintended impression that Asians were incapable of handling their own affairs. He related that China and ASEAN, supported by the ASEAN secretariat, are pressing for greater progress in ASEAN Plus 3, rather than the EAS. While acknowledging that the Koizumi government is more comfortable dealing with China in the presence of India, and thus favored the EAS, Aikawa asserted that Japan is equally interested in making progress on regional cooperation in ASEAN Plus 3. End Summary.

EAS SOM

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¶12. (C) On May 31, newly appointed MOFA Asian Affairs Bureau Regional Policy Director Kazutoshi Aikawa briefed Political Officer on the May 20 Ad Hoc Consultations among the EAS Senior Officials Meeting (SOM) in Sabah, Malaysia. Held on the margins of the ARF SOM, most countries were represented at the vice-minister level, but Japan was only able to send Asian Affairs Bureau DDG Toshihisa Takata due to the press of other business. Stating that the meeting produced no particular results, Aikawa observed that the EAS was intended as a dialogue among leaders and that no decisions would be made in the absence of the leaders themselves. In that regard, he noted that the other countries would not support

Japan's proposal for an EAS science and technology ministerial on the margins of an ASEAN s&t ministerial in August. As a compromise, the ministerial will proceed, but without the EAS logo. Similarly, the members insisted on making Malaysia's proposal for an "informal" international trade ministerial in August even more informal by calling it a "luncheon" meeting with no decision on whether it will be under EAS auspices.

ASEAN Secretariat Promotes ASEAN Plus 3

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¶13. (C) Taking up more general issues, Aikawa observed that ASEAN and China were more eager to make progress in ASEAN Plus 3 than in the EAS. The ASEAN Plus 1 format (e.g., ASEAN Plus Japan) has made the most progress, he asserted, and now ASEAN wants to focus attention on making ASEAN Plus 3 equally productive. ASEAN Plus 3's financial sector has established cooperative efforts -- for instance, the work on swap agreements at the May 3 ASEAN Plus 3 Finance and Central Bank Deputies Meeting in Hyderabad -- but there has been little progress in other fields, he noted.

¶14. (C) ASEAN's secretariat has the most at stake in ASEAN Plus 3's success, Aikawa explained, adding it has been the most vocal proponent of ASEAN Plus 3 cooperation. He stated that ASEAN Secretary General Ong Keng Yong has pressed Japan to be more active in ASEAN Plus 3 to balance China's domination of the group. While Tokyo had held the first ASEAN Plus 1 summit outside of an ASEAN country in 2003, the PRC has worked assiduously at promoting ties to ASEAN countries and was now preparing to host the China-ASEAN summit in October. Although he did not know the details, Aikawa said that Ong had noted China's pressure on ASEAN to undertake projects without providing the financial resources to carry them out. Ong is hoping Japan will become more

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active in ASEAN Plus 3 and fund cooperative projects, Aikawa stated.

Dealing with China

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¶15. (C) Noting that the ASEAN secretariat had gained the impression that Japan favored the EAS over ASEAN Plus 3, Aikawa asserted that this was not true. Japan, he insisted, sought to develop regional cooperation through both organizations. Blaming this misimpression on Japan's contention with China over membership and modality issues in the lead up to the December 2005 EAS Kuala Lumpur summit, Aikawa averred that Japan believes both organizations can co-exist and recognizes there will be significant overlap between the two groupings. Which group will be the most productive may only become clear in five years or more, he suggested.

¶16. (C) While claiming that Japan was indifferent as to whether ASEAN Plus 3 or EAS should be the engine of community building in Asia, Aikawa acknowledged that the Koizumi government was more disposed towards the EAS than ASEAN Plus 3 because of the presence of India and Australia in the former organization. Japan is more comfortable dealing with China when India is present, he stated. In addition, Aikawa observed, the EAS is "forward looking," while ASEAN Plus 3 has the potential to become bogged down in history issues.

APEC, the EAS and ASEAN Plus 3

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¶17. (C) In discussing reftel talking points on U.S. views of Asian regional architecture, Aikawa said Japan is pleased that the United States wants to remain engaged in Asia. However, he noted his personal view that the United States frequently expresses concerns about the EAS, but rarely mentions ASEAN Plus 3. Aikawa observed that the United

States tended to view the EAS in the context of APEC, but Japan tends to view the EAS in the context of ASEAN Plus 3. While U.S. interests in APEC are understandable, he said, Japan finds U.S. "indifference" to participation in the EAS puzzling, particularly in light of Russia's efforts to gain membership. Although the ASEAN secretariat has told Japan that ASEAN wants to impose a moratorium on EAS membership, Japan is concerned that Russia might yet get an invitation to join. He pointed to Indonesia President Yodhoyono's visit to Moscow in June and rumors that Philippine President Arroyo might invite President Putin to attend the upcoming EAS Summit in December.

¶18. (C) Continuing with his personal thoughts on U.S. involvement in Asian regional groupings, Aikawa, who has no responsibility for APEC, said that while the United States wished to promote APEC as the premier organization for addressing economic issues in the Asia-Pacific region, it was unclear, at least to him, what were the specific U.S. proposals for strengthening the organization. Asserting that APEC's weakness stemmed from its failure to address the Asian financial crisis, Aikawa wondered in what particular area the United States wanted to make progress in APEC. He acknowledged that Japan would have no answer to the same question about the EAS, but insisted that Japan wanted to work towards regional cooperation in whatever organization could deal with the issues most effectively.

¶19. (C) Another problem with using APEC to handle Asian regional issues, Aikawa stated, was the involvement of Latin American countries. Although undoubtedly unintended, the U.S. focus on APEC created the impression that Washington believes Asian countries are not capable of handling their own regional affairs. For instance, it was difficult to explain to the Japanese public why the Prime Minister was going to Santiago to discuss Asian issues, he said, particularly when a major Asian country like India is not a member of APEC.

Comment

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¶10. (C) We emphasize that Aikawa, who is new, had no intention of providing Japan's official position on issues of regional architecture, particularly with regard to APEC, which is handled by another bureau entirely. However, while

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he is not familiar with U.S. positions on APEC, Aikawa's frank discussion of the issues is reflective of the thinking of at least some parts of MOFA, and his comments regarding U.S. views of the EAS are enlightening. Aikawa believes that the United States is opposed to the EAS because of the potential for overlap with APEC. Japan, on the other hand, is more concerned about ASEAN Plus 3 because the organization is dominated by China. Aikawa's comments reflect Japanese puzzlement as to why the United States is more concerned about a "talk shop" like the EAS that includes a number of democratic countries, than it is with ASEAN Plus 3, which has an elaborate structure of sub-groups and an action agenda that is dominated by China. As in much of its Asia policy, Japan's view of regional architecture reflects its preoccupation with the PRC.

SCHIEFFER